

What the Numbers Say

Census and Economic Information Center

Volume 2, Issue 2, Spring 2006 Newsletter

Montana Department of Commerce

RECENTLY RELEASED

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MEDA Conference, May 2006

April 25, 2006

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Capita Income, 2004](#)

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[State Personal and Per Capita
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[County Population Estimates,
2005](#)

UPCOMING RELEASES

June 6, 2006

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Spring 2006

State Population Estimates
by Age by Sex, 2005

Spring/Summer 2006

Survey of Business Owners,
American Indian-Owned
Firms, 2002

Summer 2006

City/Town Population
Estimates, 2005
State and County Housing
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State and County
Population by Age, Sex,
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2005

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Turning Data Into Knowledge

Pam Harris, Bureau Chief

Each spring the U.S. Bureau of Economic Analysis (BEA) releases detailed state and county income data which are used by government and business decision-makers, researchers, and the American public to follow and understand the performance of the economy of the nation, states, and counties. In our section, *What the Numbers Say*, and accompanying data map on page two, take a look at per capita personal income growth rates between 2003 and 2004 by county.

For a more detailed discussion of personal income trends, check out our *Economic News: Personal Income, Money in Montanans' Pockets, Grows to \$25.6 Billion* on page five. Find out what components make up personal income, what impacts personal income, and which counties are in the top ten when ranked by percent change between 2001 and 2004.

Stepping away from our state economy, our feature article beginning on page three, *Status of the Melting Pot*, discusses a current news headliner---immigration. As the immigration debate continues, we need to keep in mind the sociological reasons for tracking race and ethnicity as well as the political. Read on to find out why collecting race data matters.

When CEIC staff select topics for each newsletter, we basically ask the question, "well, what do the numbers say?" In this edition, we think they say a lot.

What the Numbers Say...

Small County, Big Growth.

Susan Ockert, Senior Research Economist

Per capita income, the amount of personal income for each resident in a county, is an indicator of the economic well being of its citizens. Montana's per capita income grew by 5.7% between 2003 and 2004.

Over half of Montana's counties experienced growth rates above the state average, thirty-two in all. Treasure County realized the largest increase at 19.3% between 2003 and 2004, while the lowest was recorded in Wibaux County at -0.8%. Farm earnings rose over a thousand percent in Treasure County; Wibaux County farmers lost 66% of their earnings. Treasure County saw corn grown for grain increase by 38%, whereas Wibaux County's production of safflower decreased by 24%.

Our featured data map on page two, created by Kris Larson, GIS Coordinator, illustrates the percent change from 2003 to 2004 in per capita income for each county. For those of you attending the recent MEDA conference, you may notice a new visual to replace the "boot". Eight counties realized double-digit growth in per capita income, with six of them connecting to form what looks like a "Y".

For a county map of the actual 2004 per capita income dollar amount, see CEIC's web site at http://www.ceic.mt.gov/graphics/Data_Maps/percapitaincome.pdf. ■

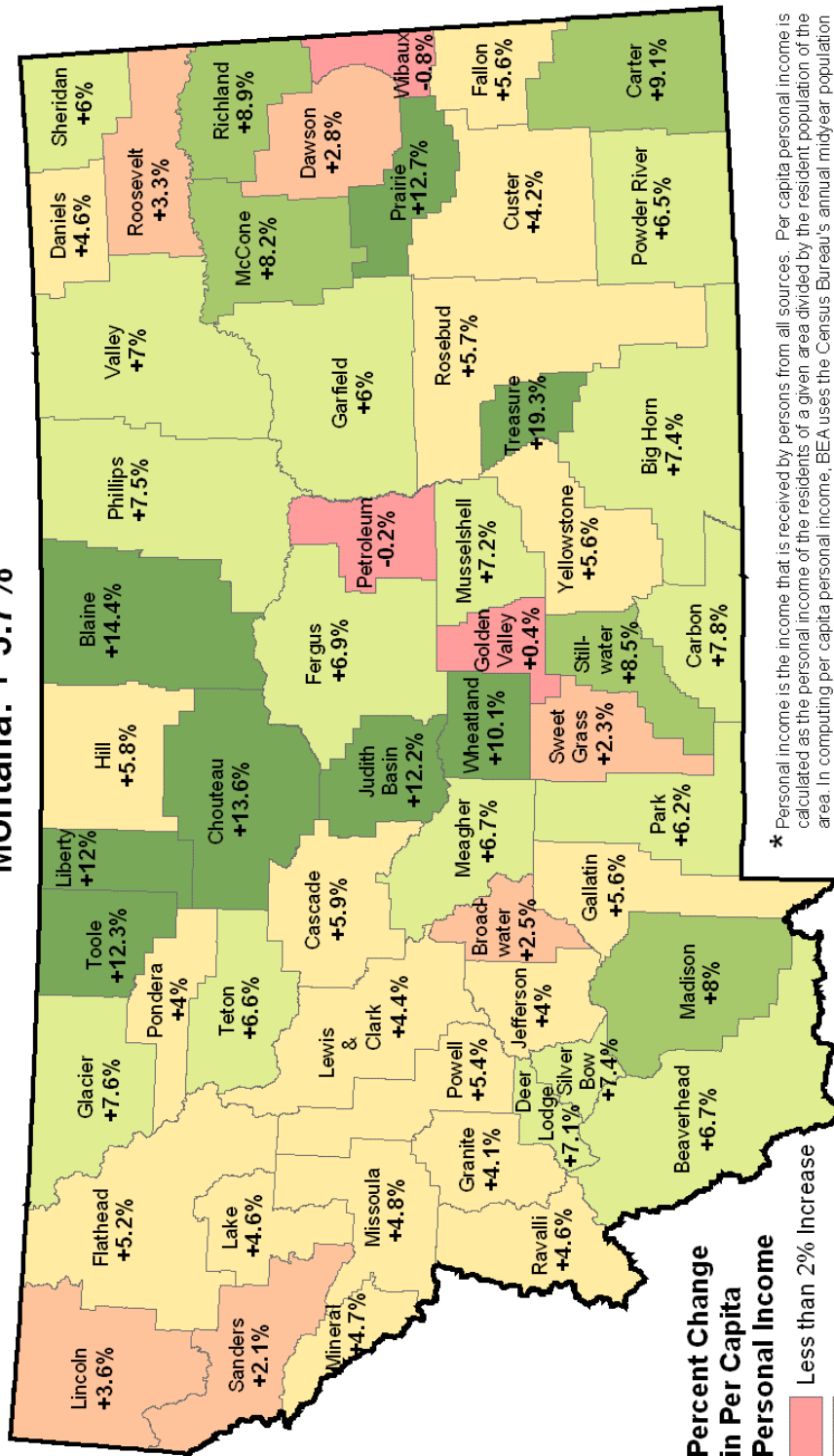
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- ♦ Small County, Big Growth
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- ♦ Status of the Melting Pot
- ♦ Personal Income, Money in Montanans' Pockets.
- ♦ Web Sights Help us Help You

**"Oh, people can
come up with
statistics to prove
anything. 14% of
people know that"**

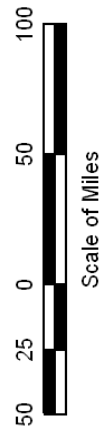
Dan Castelleneta

Percent Change in Per Capita Personal Income* 2003 - 2004 Montana: + 5.7%



* Personal income is the income that is received by persons from all sources. Per capita personal income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates.

- Percent Change in Per Capita Personal Income**
- Less than 2% Increase
 - +2.0% to +3.9%
 - +4.0% to +5.9%
 - +6.0% to +7.9%
 - +8.0% to +9.9%
 - Greater than 10% Increase



Created by:
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Source: Regional Economic Information System, Bureau of Economic Analysis, U.S. Dept of Commerce, CA1-3 Per capita personal income, 4/25/06. http://ceic.mt.gov/data_maps.asp --- [percapitaincome_percent.gif](http://ceic.mt.gov/data_maps.asp) or pdf

Status of the Melting Pot

Andrew Geiger, Commerce Public Information Officer/Research Analyst

American Heritage

It has been interesting in the past month or so to watch a nation of immigrants debate the issue of immigration. A predominant, although not undisputed, theory places the original American immigrants arriving across the Bering Strait some 20,000 years ago (give or take a few seasons); and for a lot of us it is all too easy to embrace *the drawbridge principle* and cast a suspicious eye on those arriving after us. Most Americans can claim neither an indigenous nor Brahmin heritage, with the initial sharp rise in U.S. population fueled by the great rush of Europeans during the Second Industrial Revolution (with the gold medal going to the Irish!). Americans of African decent have ancestors extending back to the blue blood period, albeit with the historical caveat of a forced migration.

Indeed, the immigration debate, such as it is, is wedded to the issue of race and country of origin. Case in point: Ellis Island is a part of the National Park Service, whereas the southern border with Mexico is looked over by another federal agency altogether. Any start to such a discussion requires an obligatory primer on the distinction between race and ethnicity. Media reports often misrepresent the issue by juxtaposing the two predominant American minority groups, such as referring to *race* relations between blacks and Hispanics in a certain school district. The numbers perhaps force such a comparison, with Hispanics becoming the largest minority group during the last census. Yet black or African American is a racial distinction, and Hispanic refers to an ethnic category. (There were over 700,000 respondents in the 2000 Census who self identified as *black Hispanics*.) The relatively new term of *African American* itself would seem to confuse the issue, as it is a synonym for the racial category *black* but if literally interpreted means one's continent of origin.

The predominant terminology from the 1900 Census was *white* and *Negro*. A subsection dealing with nativity shows the labels: *native white*, *foreign white*, and *colored* (the latter of which grouped Negroes, Chinese, Japanese, and Indians). We were literally viewed to be a black and white country; little wonder some feel nostalgic for such simpler, less progressive times. Subsequent generations of marriages have considerably altered these clear lines, with many white Americans having a hard time determining which among their different European heritage to refer to themselves as. There is no better public image for this than golfer Tiger Woods, who counts African American, American Indian, Caucasian and Thai among his heritage.

Twenty Five Years From Now

Even if we dutifully take into consideration the intensely personal sensitivities inherent in any discussion of one's race and country of origin, it is obvious that persons from Mexico, and Central and South America are currently fueling U.S. immigration (legal and otherwise). Between 1990 and 2000, Census figures show that immigrants from this region account for almost 70% of total U.S. immigration. Given the reasonable assumption that any individual in the country illegally would have a natural aversion of government officials and forms, this number is sure to be much higher. While the pattern is no longer confined to border states, Montana sees an inverse of migration based on country of origin, with over 70% of total immigrants during this same time period coming from Asia, Europe, and Canada in somewhat equal numbers.

The Census Bureau also recently announced that for the first time the population growth rate of Hispanics in the U.S. was due to internal demographics more than immigration. Going back to the comparison of Hispanics to the African American population, consider that during this same period less than 3% of U.S. immigration came from Africa. Continued disparate rates of birth and immigration lead to predictions of the Hispanic population in the U.S. reaching 21% of the total population by 2030, whereas African Americans would constitute only 13%. Yet the extent of cultural impact, economic power, and political presence will continue to depend to a certain extent on historical considerations and the rate of assimilation through citizenship. (Status...continued on Page 4)

■ Total population
Minority population,
all groups



U.S. population,
July 1, 2005

*Washington Post, May 2006

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Status Continued...

Why We Track Race and Ethnicity

The magnitude of this human movement make the stakes high with the varying immigration legislation being introduced at the federal level, and it is impossible to have this public discussion without knowing what the composition of our country is currently, and in which direction it is headed. Yet not everyone agrees when it comes to the specific issue of race. Amitai Etzioni, a sociologist at George Washington University, writing in the recent edition of *The American Scholar* (a much more approachable publication than its title would suggest), argues that having the government ask the question of race ultimately does more harm than good to society. Etzioni makes the point that by collecting and reporting these data from a racial perspective, the government unwittingly perpetuates racial stereotypes and hinders our goal of reaching a colorblind society. He proposes we instead track country of origin, or some broad category such as referring to whites as European Americans (with perhaps delineations of northern/southern/eastern) in alignment with the already accepted concept and term African American. While he is suggesting a major paradigm shift in public attitudes and our common vernacular by changing one question on a census form—an unlikely scenario—his model would allow us to more easily intellectually assemble the inevitable influx of Hispanics into our historic construct of The Melting Pot.

Beyond the sociological argument, we track race in the pursuit of several public policy goals, including the official reversal of historical discriminatory forces that certain population groups have faced. Etzioni addresses this issue (which he correctly labels *reparations* despite the politically charged connotation of this word), and while he doesn't quite connect the dots, it is plausible that one could still make broad conclusions on racial diversity in any geographic area by looking at the country or region of origin. This same model would also address the other major omission in his argument, the need to track public health trends based on race. Sickle cell anemia in African Americans is the most dramatic genetic example; yet in Montana the most visible epidemic is diabetes among American Indians, which is tied not so much to genetic variation but history of diet. Montana's tribal governments have instituted special measures to promote education, testing, and remedial measures upon diagnosis, but what if the federal government wants to address the situation through broader means? Any outreach and funding mechanism would need to identify the number of Indian peoples by state or local community.

Race Matters

It is hard to imagine a more sensitive subject in the United States today than race and ethnicity. Looking at it from our current vantage point, it is important to note that this is hardly the first time period with a measure of growing pains. We do tend to turn back to the notion of race relations being interpreted in terms of black and white, as we became the last nation to abandon the African slave trade through tremendous sacrifice; but consider also the much recounted, yet nonetheless true, discrimination against groups like the Italians and Irish during the period of great immigration. The original Americans had their federal affairs administered under the Department of War until the latter half of the 19th Century! American history is indeed a messy subject, but a common thread from all these racial and ethnic groups is a commitment to the idea of America while maintaining a pride in heritage. As government addresses any of the complicated components of this issue, may this common ethos win out over divisiveness. ■

NOTE: Hispanics can be of any race. Not all races are shown.

	U.S. population, July 1, 2005
Total population	296,410,404
Minority population, all groups	33%
One race	98
Two or more races	2
White, non-Hispanic	67
Hispanic	14
Black	13
Asian	4

*Washington Post, May 2006

*Chart and graph appeared in a recent Washington Post article based on Census Bureau estimates. Corresponding state and county population data, including all races, are scheduled to be released by the Census Bureau this summer.

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Economic News

Personal Income, Money in Montanans' Pockets, Grows to \$25.6 Billion

Susan Ockert, Senior Research Economist

Personal income, per capita income, wages and salaries, compensation, and earnings; all are measures of the amount of money citizens earn. The array of statistics indicates the complexity of today's economy. Keeping tabs on income in the United States is the [U.S. Department of Commerce, Bureau of Economic Analysis \(BEA\)](#). According to BEA's April release, Montana's personal income totaled \$25.6 billion in 2004, up 14.7% from 2001.

Percent Change in Personal Income: 2001-2004

County	Percent	Rank
Liberty	33.2%	1
Toole	27.7%	2
Chouteau	25.8%	3
Hill	22.9%	4
Big Horn	22.3%	5
Gallatin	22.2%	6
Musselshell	20.9%	7
Valley	19.3%	8
Glacier	18.6%	9
Roosevelt	17.4%	10

Since personal income is dependent on population, it is not surprising that Montana's two most populated metropolitan counties, Yellowstone (134,806) and Missoula (99,063), have the largest personal incomes, \$4.2 billion and \$2.9 billion respectively in 2004.

Digging deeper into the numbers, though, reveals that having large populations does not necessarily equate to higher growth rates. For example, all top five counties in personal income growth between 2001 and 2004 are non-metropolitan, and four of the top five saw declining population during this same time period. Three of these counties, Liberty, Toole and Hill, located on Montana's Hi-Line, had bumper crops, especially spring wheat, which helped drive up farm earnings. Ranked 3rd in percent growth is Chouteau County, where winter wheat and barley production boosted earnings for the county.

For the Crow, Blackfeet and Fort Peck Indian Reservations, there was some encouraging economic news. Big Horn, Glacier and Roosevelt counties, which include large sections of these reservations, placed in the top ten with double-digit percent increases in personal income.

Non-Farm factors augmenting earnings include both federal government spending and increased production in selected private sector industries. For instance, the U.S. Department of Homeland Security has increased its presence in Toole County. Additional employment in this county boosted civilian federal earnings by 116% between 2001 and 2004, while the construction of a new facility was part of the 52% rise in construction earnings. Mining activities, especially in gas exploration, led to a 46% rise in miners' earnings in Hill County, while forestry and logging earnings increased by 265%.

Percent Increase in Personal Income: 2001-2004

Measure	Liberty	Toole	Chouteau	Hill	Big Horn
Farm Earnings	409%	382%	472%	369%	448%
Non-Farm Earnings	16%	24%	12%	17%	19%
Private Sector Earnings	15%	16%	10%	13%	17%
Government Earnings	18%	45%	15%	27%	20%

Big Horn County, home of the Crow Reservation and part of the Northern Cheyenne Reservation, received 54% of their non-farm earnings from government spending, i.e., federal, tribal,

state, and county entities. Painters, plumbers and other Special Trade Construction Contractors saw their earnings increase 173% between 2001 and 2004. Along with this increased construction activity, Real Estate earnings rose 203%. Glacier County, where much of the Blackfeet Reservation is located, has two sectors driving its jump in personal income. Oil and gas exploration, as a sub-sector of the Mining industry, experienced a 150% increase in earnings from 2001 to 2004. In addition, Health Care earnings rose 135%. Roosevelt County also benefited from increased production of spring wheat, durum wheat, and oats. The Fort Peck Reservation, located partly in Roosevelt County, has landed a major Information Technology procurement services management contract. Between 2001 and 2004, earnings in the Information sector rose 136%. (Personal Income...continued on page 6)

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Personal Income Calculation	
	Earnings by Place of Work
-	Contributions to social security
-	Adjustments for commuting between residence and place of work
+	Dividends, interest and rent
+	Personal current transfer receipts*
=	Personal Income

*Government payments to individuals include retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans' benefits, and Federal grants and loans to students.

Government officials, economic development personnel and private citizens use personal income to analyze the economic trends in a state or local area. As a comprehensive economic time series, personal income and its components can detect whether an economy is dependent on farm or non-farm earnings. If an economy is highly dependent on farm income, bad weather and poor crops can impact earnings significantly. If an economy depends on government spending, budget reductions can cause personal income to plummet. ■

Percent of Total Non-Farm Earnings in 2004					
Measure	Liberty	Toole	Chouteau	Hill	Big Horn
Private Sector Earnings	72%	68%	63%	69%	46%
Government Earnings	28%	32%	37%	31%	54%

Private Sector Earnings + Government Sector Earnings = Non-Farm Earnings

Percent of Total Earnings in 2004					
Measure	Liberty	Toole	Chouteau	Hill	Big Horn
Farm Earnings	38%	13%	40%	8%	6%
Non-Farm Earnings	62%	87%	60%	92%	94%

Farm Earnings + Non-Farm Earnings = Earnings by Place of Work

Compensation

Wage and Salary Disbursements: Wages and salaries; commissions, tips, and bonuses; and voluntary employee contributions to certain deferred compensation plans.

+ *Supplements to Wages and Salaries:* Consists of employer contributions for employee pension and insurance funds and employer contributions for government social insurance.

Earnings by Place of Work

Wage and Salary Disbursements plus *Supplements to Wages and Salaries* plus *Sole Proprietor's Income* (Current-production income of sole proprietorships, partnerships, and tax-exempt cooperatives.)

Web Sights

Help us help you!

ChristieWolfe, Information Technology Specialist/Webmaster

We continuously strive to further develop and improve our web site. In order to provide you, our clients, with the best possible service, your feedback is needed. Before our next web site revision, we'll be distributing a survey. The information learned from the survey responses will significantly influence the nature of our next set of improvements. The survey will have as few questions as possible and will take less than five minutes to complete. If you receive a request to participate, please seriously consider giving us your feedback. Meeting your data, mapping and data analysis needs is our mission and our web site is the primary source of readily accessible information. If you choose not to participate in the survey, please feel free to freelance your comments via e-mail. Thank you in advance for *helping us help you*.

